

Electric Industry Restructuring in Maine

Updated 4/1/02

Maine implemented full electric competition on March 1, 2000 pursuant to the Maine Electric Industry Restructuring Act (LD 1804, codified at 35-A M.R.S.A. Chapter 32) and a series of orders from the Maine Public Utilities Commission ("ME PUC").

Customer choice: Customer choice of generation supplier has been available to all customers since on March 1, 2000.

Standard Offer: Standard Offer service is available for customers who are not being served by a competitive supplier. The prices are as follows.

Maine Standard Offer Prices

Central Maine Power

Customer Class	Standard Offer Price (¢/kWh)	Effective through
Residential	4.950	Feb. 2005
Small Non-Residential	4.950	Feb. 2005
Medium Non-Residential	3.608	May 2002
	5.326	Aug. 2002
	3.468	Nov. 2002
	4.384	Feb. 2003
Large Non-Residential	varies by month	

Bangor Hydro-Electric Company

Customer Class	Standard Offer Price (¢/kWh)	Effective through
Residential	5.0	Feb. 2005
Small Non-Residential	5.0	Feb. 2005
Medium Non-Residential	3.558	May 2002
	5.165	Aug. 2002
	3.465	Nov. 2002
	4.408	Feb. 2003
Large Non-Residential	varies by month	

Maine Public Service

Customer Class	Standard Offer Price (¢/kWh)	Effective through
Residential	5.689	Feb. 2003
Small Non-Residential	5.689	Feb. 2003
Medium Non-Residential	5.732	Feb. 2003
Large Non-Residential	6.13	Feb. 2003

The Maine Public Utilities Commission publishes updated Standard Offer prices at www.state.me.us/mpuc/Electric%20Supplier/Standard%20Offer%20Rate.htm.

Savings: The Maine legislation does not specify the minimum level of savings that customers will receive as a result of restructuring.

Stranded Costs: Utilities have been given a reasonable opportunity to recover net stranded costs. The restructuring act required utilities to divest their generation assets by March 1, 2000.

Billing and Metering: Maine currently has two billing options: 1) separate bills from the utility and the competitive supplier; or 2) a combined bill from the utility. The state does not currently allow a combined bill from the supplier. At this time, metering is not competitive; only the utility may provide metering services.

Energy efficiency: Funding for energy efficiency programs will be at least 0.5% of each utility's transmission and distribution revenues. If the State Planning Office determines that additional funding is necessary, it may recommend additional funding up to a total of 0.15 ¢/kWh. The energy efficiency charges produce total annual funding of approximately \$17 million. However, because of past commitments, only approximately \$5 million is available for new program activity.

Renewable energy: The legislation establishes a Portfolio Standard, requiring that each competitive electricity provider demonstrate that renewable resources make up no less than 30% of its supply portfolio. Renewable resources are defined to include the following:

- a) qualifying small power production facilities under the FERC rules;
- b) qualifying cogeneration facilities under the FERC rules that were constructed prior to January 1, 1997; and
- c) facilities of 100 MW or less that rely on one or more of the following:
 - 1) fuel cells;
 - 2) tidal power;
 - 3) solar arrays and installations;
 - 4) wind power installations;
 - 5) geothermal installations;
 - 6) hydroelectric generators;
 - 7) biomass generators; or
 - 8) generators fueled by municipal solid waste in conjunction with recycling.

Municipal utilities: The Maine legislation does not exempt municipal and other consumer-owned utilities from competition. However, it establishes different rules for large investor-owned utilities (more than 50,000 retail customers), small investor-owned utilities (fewer than 50,000 retail customers), and consumer-owned utilities.

Maine Switching Statistics

as of 3/1/02

Customer Class	No. of Cust.	% of Cust.	% of Load
Residential and Small Commercial	2,542		
Medium Commercial and Industrial	3,901		
Large Commercial and Industrial	292		
TOTAL	6,735	1%	47%

The Maine Public Utility Commission publishes updated switching statistics on its web site at: www.state.me.us/mpuc/electric%20restructuring/migrationrates.htm.

Mergers:

Energy East Corporation, holding company for New York State Electric & Gas Corporation, acquired CMP Group, holding company for Central Maine Power Company. The transaction was announced June 15, 1999 and closed on September 1, 2000. The combined company serves 1,400,000 electric customers and 600,000 natural gas customers.

Emera, parent company of Nova Scotia Power, acquired Bangor-Hydro Electric Company. The transaction was announced on June 30, 2000 and closed on October 10, 2001. Bangor-Hydro serves approximately 190,000 customers and Nova Scotia Power serves approximately 440,000 customers.

Maine Electric Utilities

Utility	Electric Customers	Web Site
Central Maine Power	524,000	www.cmpco.com
Bangor Hydro Electric	105,000	www.bhe.com
Maine Public Service	34,000	www.mfx.net/~mpstp

More Information

For more information, please contact:

Maine Public Utilities Commission

242 State St.

18 State House Station

Augusta, ME 04333

P: 207-287-3831

Website: www.state.me.us/mpuc/

The website contains a list of registered electric power providers, standard offer prices, the electric restructuring act, and the ME PUC's orders and rules regarding restructuring.

Maine State Planning Office

184 State St.

38 State House Station

Augusta, ME 04333

P: 207-287-3261

Website: www.state.me.us/spo/

The website contains the state energy conservation program plan.

Consumer Education Program

Website: www.pucfact.com

The website contains an on-line consumer guide to restructuring.